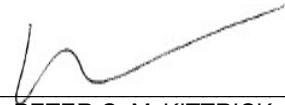


Below is an order of the court.



PETER C. McKITTRICK
U.S. Bankruptcy Judge

IN THE UNITED STATES BANKRUPTCY COURT
DISTRICT OF OREGON

In re:

MICHAEL KENNAN DAVISON &
NOKE DAVISON,

Debtors.

Case No. 19-31320-pcm13

**FINAL ORDER AUTHORIZING
DEBTORS TO OBTAIN CREDIT**

This matter came before the Court on the Debtor's Motion to Obtain Credit. The Court having considered the argument of counsel and the Motion and testimony and being fully informed the Court finds as follows:

A. On April 12, 2019 (the "**Petition Date**"), the Debtors filed a voluntary petition in this Court for relief under Bankruptcy Code Chapter 13;

1 | Page Final Order Authorizing Debtors to Obtain Credit

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B. The Court has jurisdiction over the Case and the Motion under 28 U.S.C. §§157(b) and 1334, this matter is a core proceeding under 28 U.S.C. §157(b)(2), venue is proper under 28 U.S.C. §1408 and 1409, and the Court has authority to enter this Final Order consistent with Article III of the United States Constitution;

C. An immediate and ongoing need exists for the Debtor to obtain post-petition financing in the amount of \$600,000 to help them reorganize under Bankruptcy Code Chapter 13, and the Debtors do not otherwise have sufficient funds available to pay its ongoing Plan payments and fund their business;

D. The Debtors are unable to obtain unsecured credit under Bankruptcy Code §503 or other post-petition financing in the amount of the proposed SBA loan on terms more favorable than those provided by the SBA;

E. Sufficient and adequate notice of the Motion and entry of this Final Order has given under Bankruptcy Code §364 and Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”) 2002 and 4001, such that no other or further notice of the Motion or entry of this Final Order is needed;

F. The terms of the Loan, as set forth in the attached Exhibit 1 are the standard terms for an SBA EIDL loan. The intent rate will be 3.75%, the loan will be a 30 year loan payable monthly starting in 24 months with monthly payments of approximately \$3,103.10 for 336 consecutive months;

G. The terms of the Loan, as set forth in the Loan summary (“Exhibit 1”), are fair and reasonable and reflect the Debtors’ exercise of their prudent business judgment; and

H. Entry of this Final Order is in the best interest of the Debtors estate and its various stakeholders because it will, *inter alia*, allow the Debtors to reorganize under Bankruptcy Code Chapter 13.

WHEREFORE, IT IS HEREBY ORDERED:

1. The execution and delivery of the SBA EIDL Loan Agreement and all other documents by the Debtors are authorized and approved, and the Debtors are authorized and empowered to execute and deliver to the SBA all other documents and instruments necessary or desirable to consummate the transactions contemplated thereby, take all other actions necessary or desirable to carry out the intent and purpose of the SBA Loan Documents, and otherwise comply with the SBA Loan Documents and all requests of the lender thereunder.
2. The Debtors are authorized to borrow up to \$600,000 from the SBA.
3. All interest, fees, and expenses contemplated by the Loan Documents are authorized to be incurred by the without application to or further order by the Court.
4. The Lender holds security interests in and liens on all Debtors Collateral, which the Debtors have (to the extent of its right, title, and interest therein) assigned and conveyed as security, hypothecated, mortgaged, pledged, and set over and unto the Lender, and which have been automatically perfected

notwithstanding any notice or recordation requirements of non-bankruptcy law (collectively, the “**Liens**”).

#

I certify that I have complied with the requirements of LBR 9021-1(a)(2)(A).

Presented By:

March 23, 2022
Date

/s/ Ted A. Troutman
Ted A. Troutman, OSB#844470
Attorney for Debtors

Product	Loan directly from SBA that must be repaid; low-interest, fixed-rate, long-term loan to help overcome the effects of the pandemic by providing working capital to meet operating expenses
Uses of Proceeds	Working capital to make regular payments for operating expenses, including payroll, rent/mortgage, utilities, and other ordinary business expenses, and to pay business debt incurred at any time (past, present, or future)
Maximum Loan Amount	\$2 million. Note: SBA will begin approving loans greater than \$500,000 on October 8, 2021.
Loan Term	30 years
Interest Rate	Businesses: 3.75% fixed Private nonprofit organizations: 2.75% fixed
Payment Deferment	Payments are deferred for the first 2 years (during which interest will accrue), and payments of principal and interest are made over the remaining 28 years. No penalty for prepayment.
